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December 12, 1997

CERTIFIED MAIL NO. P 417 843 010  
RETURN RECEIPT REQUESTED

DOCKET FILE COPY ORIGINAL

Office of the Secretary  
Reference Docket CC-96-45  
Federal Communications Commission  
Room 222  
1919 M Street NW  
Washington, D.C. 20554

RE: ETC designation by the  
Arkansas Public Service Commission for:  
Southwest Arkansas Telephone Cooperative, Inc.  
Northern Arkansas Telephone Company, Inc.  
Pinnacle Communications d/b/a Lavaca Telephone Company, Inc.  
Magazine Telephone Company  
Walnut Hill Telephone Company

Toll Control Waiver by the Arkansas Public Service Commission for:  
Southwest Arkansas Telephone Cooperative, Inc.  
Northern Arkansas Telephone Company, Inc.  
Pinnacle Communications d/b/a Lavaca Telephone Company, Inc.  
Magazine Telephone Company  
Walnut Hill Telephone Company

Dear Sir or Madam:

Attached to this letter is a copy of a letter dated December 10, 1997, previously mailed to the Federal Communications Commission on behalf of the five (5) listed rural Incumbent Local Exchange Carriers (ILECs). The letter provided the Federal Communications Commission with copies of Order No. 2 and Order No. 3 in Arkansas Public Service Commission Docket No. 97-326-U. At the time the letter was sent, I did not have certified copies of both Orders. In the event, the Federal Communications Commission requires certified copies on behalf of these five (5) rural ILECs, the same are hereby enclosed.

With kindest regards.

Sincerely,

  
**GEORGE HOPKINS**  
Attorney at Law

GH/kl

enclosures: Copy of a letter dated December 10, 1997  
Arkansas PSC Docket No. 97-326-U  
Order No. 2  
Order No. 3

0

**FILE COPY**

**GEORGE HOPKINS**

**Attorney at Law**

**P.O. BOX 913  
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MALVERN, ARKANSAS 72002**

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Fax (501) 332-2066**

December 10, 1997

**CERTIFIED MAIL NO. P 417 843 009  
RETURN RECEIPT REQUESTED**

Office of the Secretary  
Reference Docket CC-96-45  
Federal Communications Commission  
Room 222  
1919 M Street NW  
Washington, D.C. 20554

RE: ETC designation by the  
Arkansas Public Service Commission for:  
Southwest Arkansas Telephone Cooperative, Inc.  
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Northern Arkansas Telephone Company, Inc.  
Pinnacle Communications d/b/a Lavaca Telephone Company, Inc.  
Magazine Telephone Company  
Walnut Hill Telephone Company

Dear Sir or Madam:

Enclosed please find a copy of Arkansas Public Service Commission Docket No. 97-326-U, Order No. 2, designating Southwest Arkansas Telephone Cooperative, Inc., Pinnacle Communications, Walnut Hill Telephone Company, Inc., Northern Arkansas Telephone Company, and Magazine Telephone Company, Inc. as Eligible Telecommunications Carriers (ETCs) in the state of Arkansas. Also enclosed is Order No. 3 of that same docket stating that Southwest Arkansas Telephone Cooperative, Inc., Pinnacle Communications, Walnut Hill Telephone Company, Inc., Northern Arkansas Telephone Company, and Magazine Telephone Company, Inc., are granted a waiver for 1998 from the requirement that they provide toll control.

Although it is expected that the Arkansas Public Service Commission will serve the FCC with this letter, Universal Service support is very important to the listed rural Incumbent Local Exchange Carriers (ILECs). Due to the importance of such support, the five (5) rural ILECs felt it important to ensure the FCC had been provided a copy of the ETC

designation Order and the Order that granted a waiver for 1998 toll control.

A copy of this letter and the enclosed Orders have also been provided to the Universal Service Administration Company at its address of 100 South Jefferson Road, Whippany, New Jersey 07981. A copy of this letter and a copy of the enclosed orders are also being provided to Sheryl Todd, Universal Service Branch, 8th Floor, 2100 M Street NW, Washington, D.C. 20554. I am also sending a first class mail version of this letter to your office and Sheryl Todd with enclosures as an extra measure to ensure delivery. If additional action should be taken, or if you need additional information please feel free to contact me.

With kindest regards.

Sincerely,

  
GEORGE HOPKINS  
Attorney at Law

GH/kl

enclosures: Arkansas PSC Docket No. 97-326-U  
Order No. 2  
Order No. 3

cc: Certified Mail  
P 417 843 017  
Sheryl Todd w/enclosures  
Universal Service Branch  
8th Floor  
2100 M Street NW  
Washington, D.C. 20554

Southwest Arkansas Telephone Cooperative, Inc.  
Northern Arkansas Telephone Company, Inc.  
Pinnacle Communications d/b/a Lavaca Telephone Company, Inc.  
Magazine Telephone Company  
Walnut Hill Telephone Company

Universal Service Administration Company w/enclosures  
100 South Jefferson Road  
Whippany, New Jersey 07981

RECEIVED  
DECEMBER 11 1997

**CERTIFICATE**

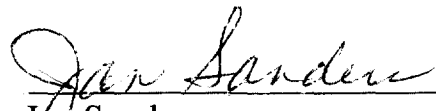
This is to certify that this is a true and correct copy of

Order No. 2 filed November 7, 1997 in Arkansas Public Service

Commission Docket 97-326-U as on file with the Arkansas

Public Service Commission.

**WITNESS** my hand as Secretary under the official seal of the ARKANSAS  
PUBLIC SERVICE COMMISSION this 11th day of December, 1997.

  
\_\_\_\_\_  
Jan Sanders  
Secretary of the Commission

Nov 7 9 18 AM '97

ARKANSAS PUBLIC SERVICE COMMISSION  
FILED

IN THE MATTER OF DETERMINING )  
ELIGIBLE TELECOMMUNICATIONS )  
CARRIERS IN ARKANSAS )

DOCKET NO. 97-326-U  
ORDER NO. 2

ORDER

The Commission entered Order No. 1 in this Docket on August 15, 1997, for the purpose of determining which carriers, certificated to provide local service within the state of Arkansas meet the eligibility requirements for federal universal service support established by the Federal Communications Commission (FCC). The Commission directed each local exchange carrier seeking certification as an eligible telecommunications carrier (ETC) for federal universal service support to file a sworn, notarized affidavit indicating whether the local exchange carrier can provide the services and functionalities defined by the FCC for federal universal service assistance.

The services and functionalities that will be supported by federal universal service assistance and which an ETC must offer in order to receive federal universal service support are: (1) voice grade access to the public switched network, (2) local usage, (3) dual tone multi-frequency signaling, (4) single-party service, (5) access to emergency services, (6) access to operator services, (7) access to interexchange service, (8) access to directory assistance, and (9) toll limitation for qualifying low-income consumers. *See* 47 C.F.R. 54.101(a). These requirements for determining eligibility must be met on or before January 1, 1998, by carriers that seek federal universal service assistance.

Sworn, notarized affidavits were filed by all incumbent local exchange carriers (ILECs) and Sprint Spectrum, L.P. (Sprint PCS). On September 12, 1997, Southwest Arkansas Telephone

Cooperative, Inc., Pinnacle Communications, Walnut Hill Telephone Company, Inc., Northern Arkansas Telephone Company, and Magazine Telephone Company, Inc. (Collectively referred to as "Five Rural ILECs") and Sprint PCS filed affidavits swearing that they can provide all the services and functionalities defined by the FCC at 47 C.F.R. §54.101 (a) to qualify as ETCs.

The following ILECs also filed affidavits seeking designation as ETCs for federal universal service support; South Arkansas Telephone Company, Inc., Century Telephone of Arkansas, Inc., Century Telephone of Mountain Home, Inc., Century Telephone of Northwest Louisiana, Inc., Century Telephone of South Arkansas, Inc., Century Telephone of Redfield, Inc., Ozark Telephone Company, Central Arkansas Telephone Cooperative, Inc., Prairie Grove Telephone Company, Madison County Telephone Company, Mountain View Telephone Company, Yelcot Telephone Company, Yell County Telephone Company, Arkansas Telephone Company, Rice Belt Telephone Company, Decatur Telephone Company, Cleveland County Telephone Company, Scott County Telephone Company, Inc., Tri-County Telephone Company, ALLTEL Arkansas, Inc., E. Ritter Telephone Company, GTE Southwest, Inc., GTE Arkansas, Inc., and GTE Midwest, Inc. (the last three ILECs listed are hereinafter referred to collectively as "the GTE Companies"). In each of the affidavits filed by these ILECs, the ILECs stated that they are unable to provide "toll control" as required and defined at 47 C.F.R. §54.400 (a)(3) and requested a waiver of this requirement from the Commission. These ILECs all made similar statements regarding the need for the waiver in their affidavits. The ILECs contend that they can provide toll control for some of their customers' usage, but they cannot provide toll control on all of their customers' toll usage on a real time basis. The ILECs provided two reasons why they cannot provide toll control on all of their customers' toll

usage. One of the reasons given for the inability to meet this requirement is that there is a delay from the time that an ILEC customer initiates a toll call using the facilities of a non-ILEC and when the ILEC can process the billing tape received from the non-ILEC. The second reason is that many non-ILECs providing toll service billing provide direct billing to the customer for toll service. Toll control can be provided by these ILECs when they are able to access the toll billing information. However, in those instances described herein there are valid reasons that the ILECs requesting a waiver cannot meet the FCC's toll control requirement for federal universal service support and this requirement should be waived for these ILECs. The Commission finds that the ILECs listed hereinabove that have requested a waiver of the requirement to provide toll limitation for qualifying low-income consumers, specifically through toll control, have shown that exceptional circumstances exist justifying a waiver. Therefore, the waiver from the provision of toll control is granted for 1998 for all ILECs that requested such a waiver.

The Five Rural ILECs did not request a waiver from the toll control requirement. These ILECs filed largely identical affidavits which state that:

I have reviewed the definition of toll limitation for qualifying low-income consumers, as set forth in Order No. 1 [of this docket] Appendix A, Subpart E, and Federal Communications Commission guidelines. I hereby state the Company can provide the service and functionality of access to toll limitation for qualifying low-income consumers as defined in Appendix A to Order No. 1 in this docket, Subpart E, and Federal Communications Commission guidelines.

Sprint PCS also states that it is able to provide toll limitation for qualifying low-income consumers.

Southwestern Bell Telephone Company (SWBT) filed the affidavit of James B. Shelly on September 12, 1997, but SWBT did not request designation as an ETC for federal universal service funding. In the affidavit filed by Mr. Shelley, SWBT does state that it expects to seek such

designation "provided that any advertising standard that may be adopted by the Commission is reasonable and otherwise economical, and that no service area extends beyond SWBT's exchange boundaries."

In its affidavit, ALLTEL requests a waiver, on an as needed basis, of the requirement that 911 and E911 services be provided to qualify for federal universal service assistance. Under Arkansas law, the provision of 911/E911 services ultimately rests with the appropriate local government and not all of the local governments in ALLTEL's service areas have approved the availability of these emergency services. To the extent appropriate, the Commission finds that ALLTEL is granted a waiver for 1998 of the requirement to provide 911/E911 service for those areas it serves that have not chosen to implement 911/E911 service. This ensures that ALLTEL will continue to receive the benefits of federal universal service support where the local government in ALLTEL's service area has not chosen to implement these emergency services.

Sprint PCS is the only carrier that is not an ILEC that filed an affidavit seeking designation as an ETC for the purpose of receiving federal universal service support. Sprint PCS seeks designation as an ETC for areas of central Arkansas where SWBT and the GTE Companies currently provide local exchange service as ILECs. Sprint PCS has certified that it provides the services required by the FCC for universal service support in the areas designated in its affidavit and therefore, qualifies as an ETC in those service areas which are also service areas of SWBT and the GTE Companies pursuant to 47 U.S.C. §214(e)(2). However, in compliance with Section 5(d) of 1997 Ark. Act 77 (Act 77), Sprint PCS cannot be an ETC for purposes of federal universal service



support in any area served by a rural ILEC. Act 77 prohibits the designation of multiple ETCs for purposes of federal universal service support in any area served by a rural ILEC.

The Commission clarifies that in addition to the services or functionalities each ETC is to provide under 47 C.F.R. §54.101(a) (9), §54.101(b) and Subpart E, each ETC also is to make available Lifeline and Linkup services to qualifying low-income subscribers in its service area. Each ILEC currently provides Link Up service to qualifying consumers. Pursuant to the FCC rules, Sprint PCS, as an ETC in the service areas of SWBT and the GTE Companies, is directed to make Link Up service available to qualifying consumers not later than January 1, 1998.

Lifeline service is presently available to customers of a few Arkansas ILECs. Due to the eligibility criteria established by the FCC, all ILECs designated as ETCs for the purpose of receiving federal universal service support should comply with the FCC's requirement to offer Lifeline service to maintain their designation as ETCs. To comply with the FCC's criteria for receiving federal universal service support, ILECs should file an appropriate tariff or price list for Lifeline service no later than December 1, 1997.

IT IS, THEREFORE, ORDERED:

1. That Southwest Arkansas Telephone Cooperative, Inc., Pinnacle Communications, Walnut Hill Telephone Company, Inc., Northern Arkansas Telephone Company, and Magazine Telephone Company, Inc. have filed sworn affidavits certifying that each company can provide all services designated for federal universal service support in 47 C.F.R. 54.101(a). The Commission finds that these companies have certified that they are eligible telecommunications carriers for the purpose of

federal universal service support and based upon each company's sworn affidavit, each company is an eligible telecommunications carrier for federal universal service support.

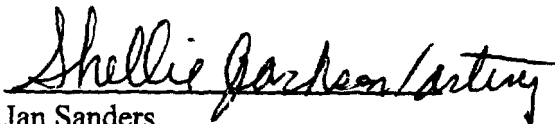
2. That Sprint PCS filed a sworn affidavit certifying that it can provide all services designated for federal universal service support in 47 C.F.R. 54.101(a) within the areas set forth in its affidavit served by SWBT and the GTE Companies. The Commission finds that Sprint PCS has certified that it is an eligible telecommunications carrier within those areas for the purpose of federal universal service support and based upon the sworn affidavit of Sprint PCS, it is an eligible telecommunications carrier for federal universal service support in the areas specified in this Order.

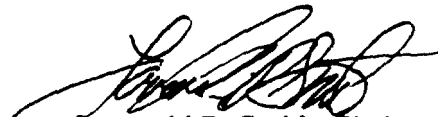

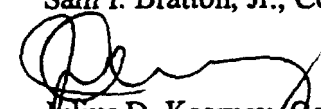
3. That South Arkansas Telephone Company, Inc., Century Telephone of Arkansas, Inc., Century Telephone of Mountain Home, Inc., Century Telephone of Northwest Louisiana, Inc., Century Telephone of South Arkansas, Inc., Century Telephone of Redfield, Inc., Ozark Telephone Company, Central Arkansas Telephone Cooperative, Inc., Prairie Grove Telephone Company, Madison County Telephone Company, Mountain View Telephone Company, Yelcot Telephone Company, Yell County Telephone Company, Arkansas Telephone Company, Rice Belt Telephone Company, Decatur Telephone Company, Cleveland County Telephone Company, Scott County Telephone Company, Inc., Tri-County Telephone Company, ALLTEL Arkansas, Inc., E. Ritter Telephone Company, GTE Southwest, Inc., GTE Arkansas, Inc., and GTE Midwest, Inc. filed sworn affidavits stating that with the exception of toll control for low income consumers, they can provide the services designated for federal universal service support in 47 C.F.R. 54.101(a). A waiver of the requirement to provide toll control has been granted for 1998. With that waiver, the Commission finds that each of the companies has certified that it is an eligible telecommunications carrier for

federal universal service support and based upon each company's sworn affidavit, each company is an eligible telecommunications carrier for federal universal service support.

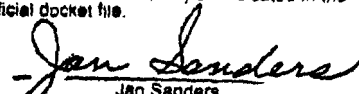
BY ORDER OF THE COMMISSION.

This 7<sup>th</sup> day of November, 1997.

  
Jan Sanders  
Secretary of the Commission

  
Larynski R. Smith, Chairman  
  
Sam I. Bratton, Jr., Commissioner  
  
Julius D. Kearney, Commissioner

I hereby certify that the following order issued by the Arkansas Public Service Commission has been served on all parties of record this date by U. S. mail with postage prepaid, using the address of each party as indicated in the official docket file.

  
Jan Sanders  
Secretary of the Commission  
Date 11-7-97 JS

**CERTIFICATE**

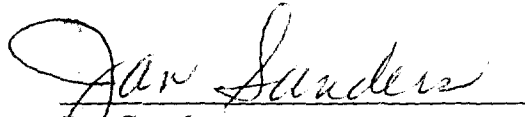
This is to certify that this is a true and correct copy of

Order No. 3 filed December 2, 1997 in Arkansas Public Service

Commission Docket 97-326-U as on file with the Arkansas

Public Service Commission.

**WITNESS** my hand as Secretary under the official seal of the ARKANSAS  
PUBLIC SERVICE COMMISSION this 11th day of December, 1997.

  
\_\_\_\_\_  
Ian Sanders  
Secretary of the Commission

Dec 2 9 49 AM '97

ARKANSAS  
PUBLIC SERVICE COMMISSION

FILED

IN THE MATTER OF DETERMINING	)	
ELIGIBLE TELECOMMUNICATIONS	)	DOCKET NO. 97-326-U
CARRIERS IN ARKANSAS	)	ORDER NO. <u>3</u>

**O R D E R**

On November 7, 1997, Southwestern Bell Telephone Company (SWBT) filed a *Supplemental Affidavit of James B. Shelley* requesting that the Commission designate it as an eligible telecommunications carrier for purposes of receiving federal universal service support. SWBT also requests that the Commission grant it a waiver from the Federal Communications Commission's requirement that it currently provide the toll control feature of toll limitation.

On November 20, 1997, Sprint Spectrum L.P. filed a *Motion to Amend Affidavit for Designation as an Eligible Telecommunications Carrier for Purposes of Receiving Universal Service Support* and an *Amended Affidavit of Joseph Gensheimer on Behalf of Sprint Spectrum L.P. (D/B/A Sprint PCS) for Designation as an Eligible Telecommunications Carrier for Purposes of Receiving Universal Service Support* stating that, while Sprint PCS has the ability to offer toll blocking to qualifying low-income consumers when such consumers subscribe to Lifeline service, it is unable at this time to offer toll control to such consumers as well. Specifically, the Sprint PCS network infrastructure and billing system do not currently allow for the measurement of toll usage as it is occurring in a manner which would allow for the cancellation of service upon reaching certain pre-determined levels. Sprint PCS states that it is

working to develop this capability and will notify the Commission when it has implemented the network upgrades necessary to provide such service.

On November 26, 1997, a *Joint Motion to Amend Affidavits for Designation as Eligible Telecommunications Carriers for Purposes of Receiving Universal Service Support (Joint Motion)* was filed by Pinnacle Communications d/b/a Lavaca Telephone Company, Inc., Northern Arkansas Telephone Cooperative, Inc., Walnut Hill Telephone Company, Magazine Telephone Company and Southwest Arkansas Telephone Cooperative, Inc. (hereinafter, the five rural ILECs). The *Joint Motion* states that the five rural ILECs originally filed Affidavits on September 12, 1997, stating that each would be able to provide toll limitation to qualifying low-income customers as directed in 47 C.F.R. §54.101(a) and accompanying guidelines. Since the filing of those Affidavits, the five rural ILECs have determined they are capable of providing toll blocking, but do not currently have sufficient resources or the technical capability to allow for the provision of toll control service, as defined. Filed concurrently with the *Joint Motion* are amended Affidavits of the five rural ILECs, now seeking to amend their previous Affidavits and requesting that the Commission grant a waiver of the requirement of toll control for a reasonable period of time due to the inability of the five rural ILECs to provide toll control as defined by the FCC.

SWBT is hereby designated as a eligible telecommunications carrier for purposes of receiving federal universal service support and is granted a waiver for 1998 from the requirement that it provide toll control. A waiver from this requirement is also granted to Sprint PCS and the five rural ILECs for 1998.

**BY ORDER OF THE COMMISSION.**

This 2<sup>nd</sup> day of December, 1997.



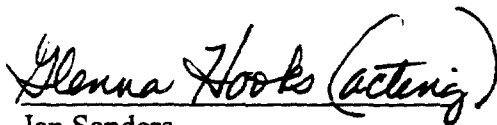
Lavenski R. Smith, Chairman



Sam I. Bratton, Jr., Commissioner



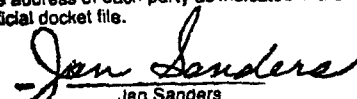
Julius D. Kearney, Commissioner



Jan Sanders

Secretary of the Commission

I hereby certify that the following order issued by the Arkansas Public Service Commission has been served on all parties of record this date by U. S. mail with postage prepaid, using the address of each party as indicated in the official docket file.



Jan Sanders  
Secretary of the Commission  
Date 12-2-97